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REBECCA ZULIM, M.D.

8

9 **IN THE UNITED STATES BANKRUPTCY COURT**
10 **EASTERN DISTRICT OF CALIFORNIA**
11 **FRESNO DIVISION**

12 In re

13 Case No. 17-13797

14 TULARE LOCAL HEALTHCARE
15 DISTRICT dba TULARE REGIONAL
16 MEDICAL CENTER,

DCN: DLM-2

Chapter 9

17 Debtor.

Date: April 12, 2018

Time: 9:30 a.m.

Place: 2500 Tulare Street, 5th Floor
Fresno, CA 93721

Courtroom: 13

Department: B

Judge: Hon. René Lastreto II

19 Tax ID #: 94-6002897
20 Address: 869 N. Cherry Street
Tulare, CA 93274

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22 **ORDER CONDITIONALLY GRANTING RELIEF FROM THE AUTOMATIC STAY**

23

24 **UNDER 11 U.S.C. § 362**

25 1. On September 30, 2017, Debtor Tulare Local Healthcare District dba Tulare
26 Regional Medical Center (“TRMC”) commenced a voluntary case under Chapter 9 of Title 11 of
27 the United States Bankruptcy Code in the United States Bankruptcy Court, Eastern District of
28 California (“Petition Date”).

RECEIVED

April 27, 2018

CLERK, U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
0006268793

DER CONDITIONALLY GRANTING RELIEF FROM THE AUTOMATIC STAY UNDER 11 U.S.C. § 362

1 2. Movant Rebecca Zulim, M.D. ("Zulim") wishes to commence an action in the
2 Tulare County Superior Court against TRMC and others based on "Whistleblower," retaliation,
3 discrimination, and other claims that arose prior to the Petition Date ("Lawsuit").

4 3. On March 13, 2018, Zulim filed and served a Motion For Relief From Automatic
5 Stay Under 11 U.S.C. § 362 ("Motion") [Docket Nos. 450-455]; on March 29, 2018, TRMC filed
6 and served an Opposition To Motion For Relief From Automatic Stay (Rebecca Zulim, M.D.)
7 [Docket Nos. 459-460]; on April 5, 2018, Zulim filed and served a Reply To Opposition To
8 Motion For Relief From Automatic Stay Under 11 U.S.C. § 362 [Docket Nos. 470-471]. A
9 hearing on the Motion took place on April 12, 2018, at 9:30 a.m., in the above-entitled Court, the
10 Honorable René Lastreto II, presiding.

11 4. Based on the moving, opposition, and reply papers submitted, statements and
12 arguments of counsel made at the hearing, and for good cause shown, **THE COURT HEREBY**
13 **GRANTS** Zulim's Motion to pursue the Lawsuit against TRMC on the following conditions:

14 A. Zulim's recovery against TRMC in the Lawsuit, if any, shall be limited to any
15 proceeds available under any insurance policy, policies, or any liability coverage contracts¹, as
16 the case may be, if any, applicable to Zulim's Lawsuit, and not from TRMC's assets;

17 B. If it is determined that TRMC lacks insurance coverage applicable to Zulim's
18 Lawsuit, or, if TRMC is denied a defense to Zulim's Lawsuit because TRMC lacks insurance
19 coverage applicable to Zulim's Lawsuit, thereby requiring TRMC to defend itself from its own
20 assets, Zulim may return to the bankruptcy court to either: (1) seek further relief from the stay to
21 liquidate her claim in state court notwithstanding the lack of insurance coverage; or (2) have her
22 claim liquidated at the bankruptcy court level through the claims process;

23 C. Zulim waives her right to collect the amount of any applicable deductible which
24 may apply to any applicable insurance concerning any settlement or judgment resulting from the

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¹ Pursuant to California Government Code Sections 6500 et seq., TRMC is a member of a risk-sharing pool (the
"Policy"). Pursuant to California Government Code Sections 6500 et seq., and Sections 990 et seq., BETA
Healthcare Group Risk Management Authority ("BETA") administers the pool under a joint powers agreement.
BETA and TRMC have entered into a Stipulation for Assumption of the BETA Policy. Assumption of the BETA
Policy pursuant to the Stipulation was authorized by the Court by Order dated January 26, 2018.

1 Lawsuit against TRMC, to ensure that no assets of TRMC are reached in satisfaction of the
2 settlement or judgment.

3 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED** that Zulim's Motion
4 herein is **GRANTED** under the conditions set forth herein.
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7 Presented and Approved by:
8

FARLEY LAW FIRM

Donald L. Mabry
Attorneys for Movant,
Rebecca Zulim, M.D.

Approved by:
WALTER WILHELM LAW GROUP

Danielle J. Bethel
Attorneys for Debtor,
Tulare Local Healthcare District
dba Tulare Regional Medical Center

Dated: Apr 30, 2018

By the Court


René Lastreto II, Judge
United States Bankruptcy Court